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Testimony on SB 176 (Support with Modifications)

AAC Shared Clean Energy Facilities

To: Honored Chairs Sen. Needleman and Rep. Arconti, Vice Chairs Sen. Winfield and Rep. Allie-Brennan, Ranking Members Sen. Formica and Rep. Ferraro, and Distinguished Members of the Energy and Technology Committee

From: Connecticut Roundtable on Climate and Jobs

On behalf of the Connecticut Roundtable on Climate and Jobs, thank you for the opportunity to submit testimony in support of SB 176, An Act Concerning Shared Clean Energy Facilities.

The Connecticut Roundtable on Climate and Jobs builds alliances among diverse constituencies to combat climate change, create jobs and promote racial, economic, and climate justice. Launched in 2012, CRCJ seeks to build a worker-oriented environmental movement committed to securing a fair and just transition that protects not only the environment but also the livelihoods of workers and their communities.

We **support** raising the SCEF program cap, increasing the maximum individual project capacity to 5 MW, increasing the capacity sold to low- and moderate-income customers, and allowing commercial and industrial customers in the non-residential renewable energy tariff program to use their entire roof space for generation. We **oppose** allowing electric distribution companies (EDCs) to own generation facilities under the SCEF program without a stakeholder engagement process. Further, we **encourage** the committee to increase the SCEF cap to 50 MW rather than to 35 MW, and to double the cap of the NRES program to 100 MW. We also encourage the committee to allow NRES customers to use their entire parking lot for generation and to provide an incentive adder for solar canopies.

Connecticut has set targets to mitigate climate change, including a 45% reduction in greenhouse gas (GHG) emissions by 2030 and a zero-carbon grid by 2040. Reaching these targets will require the rapid development of renewable energy throughout the state. Solar is a clean, affordable renewable energy source that will play a critical role in meeting these targets. Unfortunately, the current caps on the state's community and commercial solar programs are constraining solar development.

While the cost of raising these caps is negligible to individual households, solar is beneficial to all ratepayers. Because it does not produce emissions, solar power can improve air quality when it displaces fossil fuels, which has a real impact on families in a state like Connecticut where the asthma prevalence is so high. Solar is ideal for distributed generation, where the power can be produced near the consumer. This reduces electricity "traffic" on transmission and

distribution infrastructure, mitigating the need to upgrade or expand those systems (the costs of which are passed onto ratepayers). And, the cost of generating solar energy is not volatile like the price of fossil fuels.

The rapid deployment of solar technology will also create green jobs for Connecticut residents and will spur economic development in our communities. In particular, raising the limit on the size of individual SCEF projects from 2 to 5 MW will lead to the construction of more projects with a nameplate capacity at or above 2 MW, which will create good jobs with prevailing wage and benefits and opportunities for workforce development under Public Act 21-43.

Connecticut prides itself on being a "Solar with Justice" state, meaning that solar adoption is at parity for low- and moderate-income (LMI) residents versus non-LMI households and beyond parity for communities of color (i.e., Black and Hispanic families). We hope this continues to be the case in Connecticut and support the pro-equity provisions in this bill, including ensuring that not less than twenty percent of the total capacity of each shared clean energy facility is sold, given or provided to low-income customers, and ensuring that not less than sixty percent of the total capacity of each shared clean energy facility is sold, given, or provided to low-income customers, moderate-income customers, or low-income service organizations, supports equitable access to this technology. Requiring no less than 40 percent of SCEF facilities to be sited in environmental justice communities also supports this goal and aligns with the federal government's Justice40 agenda.

Although increasing the SCEF program cap from 25 to 35 MW is a step in the right direction, we would encourage the committee to raise this cap to 50 MW. Additionally, we would encourage the committee to add language that also doubles the cap of the Non-Residential Renewable Energy Solutions (NRES) program to encourage the proliferation of commercial and industrial solar as well.

Allowing NRES customers to use their entire roof space to generate solar energy is also a great step towards expanding distributed solar. However, we suggest that NRES customers also be allowed to develop their parking lots by installing solar canopies and providing an incentive adder to offset the higher cost of canopy installations. Limits on the size of individual projects under the NRES program will prevent excessively-sized projects. By installing solar on roofs and parking lots, we can alleviate concerns about siting solar on undeveloped land or agricultural land. There is no need to pit solar against environmental or agricultural interests.

Finally, we oppose the inclusion of a provision allowing EDCs to own generation capacity under the SCEF program in this bill. This proposal raises concerns about competition given that the EDCs own transmission and distribution infrastructure, own prime land adjacent to substations, and control interconnection. A programmatic change such as this should follow a stakeholder engagement process led by PURA to ensure that the change is made responsibly with guardrails to ensure open competition.

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¹ https://www.ctgreenbank.com/page/2/?cat=-1

Summary of Positions	
Raise SCEF program cap to 35 MW	Support, prefer 50 MW
Projects up to 5 MW qualify for SCEF	Support
Min. 20% SCEF capacity sold to low-income customers	Support
Min. 60% SCEF capacity sold to low-income, moderate-income customers, low-income service organizations	Support
Min. 40% SCEF facilities in EJ communities	Support
NRES customers to use entire roof	Support
NRES customers to use entire parking lots (not in raised bill)	Support
Double NRES cap (not in raised bill)	Support
EDC ownership of SCEF projects	Oppose

Connecticut residents overwhelmingly support increased solar in the state,² but current development is limited by outdated policy. We appreciate your attention to the need to expand solar programs in Connecticut.

Sincerely,

Aziz Dehkan Executive Director

Allison Pilcher Policy Director

Connecticut Roundtable on Climate and Jobs www.ctclimateandjobs.org

 $^{^2\} https://votesolar.org/wp-content/uploads/2021/07/ConnecticutResults_4.pdf$